

**Summary**  
**DEPARTMENT OF EDUCATION FY 2003-04**  
**House Bill 4391**  
**Public Act 145 of 2003**



**Analyst: Mary Ann Cleary**  
**Laurie Cummings**

**Overview**

The State Board of Education is an eight-member elected board constitutionally mandated to provide leadership and supervision for public education in Michigan. The Department of Education (DOE) is the administrative arm of the Board charged with implementing state and federal educational mandates and administering programs. Major responsibilities of the DOE include developing and overseeing the K-12 school system, certifying teachers, collecting and reporting educational data, disbursing funds to educational organizations, and providing technical assistance to local school districts.

	<b>FY 2002-03 YTD (as of 3/6/03)</b>	<b>Executive</b>	<b>House</b>	<b>Senate</b>	<b>Enacted</b>	<b>Difference: Enacted to FY 2002-03 YTD</b>	
						<b>Amount</b>	<b>%</b>
<b>IDG/IDT</b>	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	0.0
<b>Federal</b>	166,260,200	64,479,400	64,479,400	65,184,100	65,834,100	(100,426,100)	(60.4)
<b>Local</b>	4,744,200	4,744,200	4,744,200	4,791,600	4,791,600	47,400	1.0
<b>Private</b>	701,400	701,400	701,400	701,400	701,400	0	0.0
<b>Restricted</b>	14,430,000	12,507,500	12,607,600	12,561,700	12,661,600	(1,768,400)	(12.3)
<b>GF/GP</b>	29,018,216	29,392,500	29,392,500	29,220,800	29,392,500	374,284	1.3
<b>Gross</b>	<b>\$216,154,016</b>	<b>\$112,825,000</b>	<b>\$112,925,100</b>	<b>113,459,600</b>	<b>114,381,200</b>	<b>(\$101,772,816)</b>	<b>(47.1)</b>
<b>FTEs</b>	442.1	433.1	433.1	433.1	433.1	(9.0)	(2.0)

*Note: FY 2002-03 YTD figures do not include the results of any supplementals, contingency transfers, or Executive Order actions that occurred after March 6, 2003.*

<b>Major Budget Changes from FY 2002-03 YTD</b>		<b>YTD FY 2002-03 (as of 3/6/03)</b>	<b>Enacted Change from YTD</b>
<b><u>Appropriations:</u></b>			
<b>1. School Breakfast Program</b>	<b>Gross</b>	<b>\$7,774,900</b>	<b>\$2,595,200</b>
Provides an increase of \$2.6 million in general funds to cover additional program costs and fully fund this program.	GF/GP	7,774,900	2,595,200
<b>2. Federal Grants</b>	<b>Gross</b>	<b>\$120,904,100</b>	<b>(\$100,904,100)</b>
Eliminates federal funding for the following grant programs: Class Size Reduction, Eisenhower Math and Science, Goals 2000, and Technology Literacy Challenge Grants. Reduces funding for Urgent School Renovation by \$25 million to \$20 million to reflect a reduction at the federal level.	Federal	120,904,100	(100,904,100)
	GF/GP	0	0
<b>3. Motorcycle and Off-Road Vehicle Safety Programs</b>	<b>Gross</b>	<b>\$1,951,300</b>	<b>(\$1,951,300)</b>
Eliminates from the Department of Education budget the Motorcycle Safety Education program at \$1.5 million and Off-Road Vehicle Safety Training program at \$421,100. Transfers of the Motorcycle Safety program to the Department of State and the transfer of the Off-Road Vehicle Safety program to the Department of Natural Resources.	Restricted	1,951,300	(1,951,300)
	GF/GP	0	0

<b>Major Budget Changes from FY 2002-03 YTD</b>		<b>YTD</b>	<b>Enacted</b>
<b><u>Appropriations:</u></b>		<b><u>FY 2002-03</u></b>	<b><u>Change</u></b>
		<b><u>(as of 3/6/03)</u></b>	<b><u>from YTD</u></b>
<b>4. <i>Funding for Administration</i></b>	<b>Gross</b>	<b>NA</b>	<b>(\$662,300)</b>
Reduces general funds for administration by \$801,300 by	Federal	NA	94,000
reducing travel and other various costs, including not filling	Restricted	NA	45,000
vacant positions, and making fund shifts throughout the	GF/GP	NA	(801,300)
Department.			
<b>5. <i>Education Commission of the States Membership</i></b>	<b>Gross</b>	<b>\$99,300</b>	<b>(\$99,300)</b>
Eliminates the Department's membership in the national	GF/GP	99,300	(99,300)
organization, Education Commission of the States.			
<b>6. <i>Eliminate State Tenure Commission Per Diems</i></b>	<b>Gross</b>	<b>\$11,100</b>	<b>(\$11,100)</b>
The Conference report eliminates the per diem of \$50 per	GF/GP	11,100	(11,100)
meeting to the State Tenure Commission members.			

#### **Major Boilerplate Changes from FY 2002-03:**

##### ***Sec. 201. Personal Services Contracts – REVISED***

Requires reporting on all contracts over \$10,000; prohibits the Department from entering into personal services contracts without competitive bidding for contracts over \$10,000; prohibits the Department from issuing more than one contract per year to any one contractor.

##### ***Sec. 219. Motorcycle Safety Education (New)***

Specifies that the Department of Education will work with the Department of State to ensure the motorcycle safety program is administered in the same manner as the current year.

##### ***Sec. 220. Off-Road Vehicle Safety Training Education (New)***

Recommends that the Department of Education work with the Department of Natural Resources to ensure that the off-road vehicle safety training program is administered in the same manner as the current year.

##### ***Sec. 222. Appeal of Adequate-Yearly-Progress Reporting (New)***

States that before publishing a list of schools determined to have failed to make adequate yearly progress, the Department must allow the schools 30 days to appeal the determination.

##### ***Sec. 412. Report on the Number of Blind Students (New)***

Requires the Department to provide a report to the House and Senate Appropriations Subcommittees on the number of blind students in Michigan, the number of teachers certified to teach Braille, and other related information.

##### ***Sec. 801. Teacher Tenure Report (New)***

Requires the Department to report to the legislature the history, purpose, and estimated litigation costs of teacher tenure.